

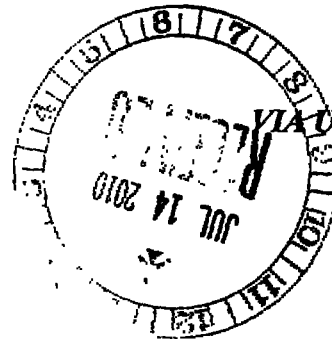
JUL 14 '10 -2 54 PM

SURFACE TRANSPORTATION BOARD

FIRST UNION RAIL

One O'Hare Centre  
6250 River Road, Suite 5000  
Rosemont, IL 60018

Tel 847.318.7575  
Fax 847.318.7588



July 12, 2010

Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street, S.W., Suite 100  
Washington, DC 20423-0001  
Re: Documents for Rail Recordation

**Re: Memorandum of Lease Agreement**

Dear Section Chief:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) originals and one (1) copy of a Memorandum of Lease Agreement dated July 1, 2010 a primary document as defined in the Board's Rules for the Recordation of Documents. Please file this Memorandum of Lease as a primary document since a Master Lease has not been filed with the Surface Transportation Board. The names and addresses of the parties to the enclosed document are:

Lessor:	First Union Rail Corporation	Lessee:	Portland & Western Railroad, Inc.
	One O'Hare Centre		200 Hawthorne Avenue S.E., Suite C-320
	6250 N River Road, Suite 5000		Salem, OR 97301
	Rosemont, IL 60018		

A description of the railroad equipment covered by the enclosed document is for ten (10) 73' centerbeam flat cars; having NOKL marks (see Exhibit A for car numbers).

A short summary of the document to appear in the index follows: **Memorandum of Lease**

Also enclosed is a check in the amount of \$41.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions regarding the above-referenced matter, please contact me at (847) 384-5397. Thank you for your cooperation in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Marcia Dunne', written over a horizontal line.

Marcia Dunne  
Senior Documentation Specialist

Enclosure

(PWRR001)

ASSGN. NO.: PWRR001

JUL 14 '10 -2 54 PM

## MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 1 day of July, 2010, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Portland & Western Railroad, Inc. ("Lessee"), a New York corporation.

## WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of July 1, 2010, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 1 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of May 14, 2010, and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

By: Richard F. SeymourName: RICHARD F. SEYMOUR  
VICE PRESIDENT SALES & MARKETING

ATTEST:

By: Susan GrokulskyName: SUSAN GROKULSKY  
ASSISTANT DIRECTORTitle: OF DOCUMENTATION

Title: \_\_\_\_\_

Executed on this 1<sup>st</sup> day of July, 2010

[CORPORATE SEAL]

STATE OF ILLINOISCOUNTY OF COOK

I, GEORGIA FREIBURGER, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 1<sup>st</sup> day of July, 2010.

Notary Public

My Commission Expires:

6-2012  
(Notary Public)

LESSEE:

PORTLAND & WESTERN RAILROAD, INC.

ATTEST:

By:

[Signature]

Name:

RONALD G RUSS

Title:

PRESIDENT

By:

[Signature]

Name:

RYAN R. FISCHER

Title:

DIRECTOR OF MGMT & SALES

Executed on this

23

day of

JUNE

,

2010.

[CORPORATE SEAL]

STATE OF

OREGON

COUNTY OF

MAHON

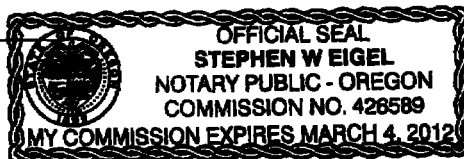
I, Stephen W. Eigel, a Notary Public of the County and State aforesaid, certify that Ronald Russ personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 23<sup>rd</sup> day of June, 2010.

[Signature]  
Notary Public

Commission Expires:

(Notary Public)



**EXHIBIT A**  
**to**  
**MEMORANDUM OF LEASE**

NUMBER OF CARS:           Ten (10)

DESCRIPTION OF CARS:    73' centerbeam flat cars, 286,000 lbs. GRL (Car Type: F483)

CAR NUMBERS:

NOKL 733488  
NOKL 733495  
NOKL 733605  
NOKL 733655  
NOKL 733665  
NOKL 733669  
NOKL 733670  
NOKL 733694  
NOKL 733715  
NOKL 733724